

*Office Memorandum* • UNITED STATES GOVERNMENT

TO : A/AD/NE

DATE: 18 August 1961

FROM : Louis Marengo *LMM*

SUBJECT: Jackson Subcommittee on National Policy Machinery

For your information and return.

I think you will find the attached an extremely interesting description of present philosophy and procedures in the national security field.

Note particularly last para p.4 and 1st para p.5, which bear on the proposed cold war survey. It seems to me that this requirement was frequently missed at yesterday's meeting. General Taylor will want to hear from us before Trujillo is shot - not the day he is shot or the day after. He will surely want an estimate in the economists sense of the word, not in the soldiers sense.

18 AUG 1961

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6			

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2013/08/22 : CIA-RDP86T00268R000700130002-1

MEMORANDUM FOR: THE DIRECTOR

**For information only.**

**Attached is the testimony of Mr. Bell,  
Director of the Bureau of the Budget, before  
the Jackson Subcommittee on National Policy  
Machinery given in executive session on 1  
August and released this morning.**

STAT

  
**JOHN S. WARNER**  
**Legislative Counsel**

**9 August 1961**  

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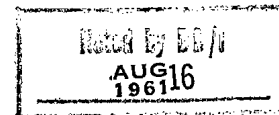
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From the Office of  
SENATOR HENRY M. JACKSON (D., WASH.)  
Chairman, Subcommittee on  
National Policy Machinery  
Capitol 4-3121, Ext. 3481

HOLD FOR RELEASE: A.M.'s

Wednesday, August 9, 1961



Senator Henry M. Jackson (D., Wash.), Chairman of the Senate

Subcommittee on National Policy Machinery, today released executive session testimony on the National Security Council by Mr. David E. Bell, Director, Bureau of the Budget. Mr. Bell appeared before the Subcommittee on August 1, 1961.

This testimony was given first in executive session in accordance with the rules the Subcommittee has used in the past in taking testimony concerning the National Security Council and its subordinate machinery. This testimony has been cleared for release.

Jackson said: "The hearing with Mr. Bell continues the Subcommittee's nonpartisan and objective study of the organization and staffing of our government to meet the dangerous challenge of world communism."

100-111111

FOR RELEASE: A.M.'s

Wednesday, August 9,  
1961

ORGANIZING FOR NATIONAL SECURITY

EXECUTIVE SESSION

Witness: David E. Bell,  
Director, Bureau of the Budget

Tuesday, August 1, 1961

United States Senate  
Subcommittee on National  
Policy Machinery of the  
Committee on Government  
Operations  
Washington, D. C.

The Subcommittee met in executive session at 12:45 p.m., in Room 3300, New Senate Office Building, Honorable Henry M. Jackson, Chairman of the Subcommittee, presiding.

Present: Senators Jackson and Muskie.

Staff members present: J. K. Mansfield, Staff Director; Robert W. Tufts, Chief Consultant; Dorothy Fosdick and Brewster C. Denny, professional staff members, and Roderick F. Kreger, Minority Counsel.

Also present: Richard L. Roth, Staff Assistant to the Director, Bureau of the Budget.

Senator Jackson. The committee will now resume in executive session to take testimony on the National Security Council.

Mr. Bell, could you explain, in broad terms, the basic philosophy of the new Administration in its use of the NSC and other interdepartmental coordinating mechanisms?

Mr. Bell. I will be glad to do so. I think there are probably two major points that could usefully be made.

First, the President is using the National Security Council as I believe it was intended to be used under the statute; namely as an advisory body for him as he confronts the major questions of national security. He meets with it frequently and the discussions have included those major matters which are the principal concern of the President in the field of foreign and military policy at the present time.

The second point, which represents a considerable change, as I understand it, from recent years, is that the President is de-emphasizing the device of the interdepartmental committee.

President Kennedy instead is using a system under which he places responsibility on a cabinet officer, or a top subordinate in a cabinet department, for preparing an analysis or coming up with recommendations on a given issue or subject.

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This cabinet officer or top subordinate is expected, himself, to arrange for whatever coordination is needed in order to obtain the views of other departments concerned and to make sure that the matter which is to come before the President and the National Security Council has been considered by others in the government who ought to consider it.

The person on whom the President has placed responsibility, however, is not supposed to come forward with a combined report that is finished and all the President has to do is stamp it "yes".

Quite the contrary, the person on whom the President has placed responsibility, a cabinet officer most frequently, is expected to bring before the President his own conclusions, his own analysis, his own recommendations for action.

It may well be that other departments differ strongly. The President expects that this will be the case, and expects the issues to be argued before him and with him. He participates very vigorously in such discussions in Security Council meetings, or in such other meetings as may be convenient to him, at Hyannisport or wherever it may be. This, I think, is a striking attribute of the present system.

I understand that it is somewhat different from what happened in recent years, although, of course, I am not personally familiar with that period.

Senator Jackson. This Administration has abolished the Operations Coordinating Board?

Mr. Bell. That is right.

Senator Jackson. Insofar as you are concerned, do you feel a satisfactory substitute for policy follow-through has been created?

Mr. Bell. First of all, I am not at all sure that the Operations Coordinating Board was a satisfactory method for following through on decisions.

If you ask the question in a little different form, if you ask whether I am satisfied that this Administration has a satisfactory system for following through on Presidential decisions, I would say we have a basic understanding of how it is supposed to be done. I certainly would not claim that in every case it is being done as effectively as it should be.

The essential pattern for execution, again, rests on a system of direct responsibility on the cabinet secretaries, or in some cases the responsibility is given to an Assistant Secretary, particularly the geographical assistant secretaries of the State Department.

Those officers and the staffs that work with them, are expected to be in a real sense the significant centers, both for policy-making and for following through on Presidential action, for making sure that the different parts of a

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Presidential decision that affect a given area or country, are appropriately pursued, that the things that are supposed to happen in fact do happen, and that they happen in correct relationship to each other.

The office of the Assistant Secretary of State for a geographic area has really been upgraded very substantially in the minds of everyone in this Administration. They are frequently the key people on whom responsibility is placed for pushing ahead with a given set of decisions.

If there is any one place that the functions that were supposed to be carried out by the Operations Coordinating Board have come to rest, it is in these geographic assistant secretaries.

However, there are of course many decisions with which those officers are not particularly concerned. For example, in the case of decisions that affect primarily the United States Information Agency, or the Department of Defense, the essential responsibility has gone to the cabinet head, or the agency head in Mr. Murrow's case.

The staff of the Special Assistant to the President for National Security Affairs, Mr. Bundy, performs a secretariat function in that it keeps up with actions taken under the President's decisions.

They are not responsible for seeing that the action takes place. They are responsible for knowing whether it has taken place and for reporting it to the President. They keep a score sheet, but they are not the responsible action organization.

Senator Jackson. In other words, in general, in lieu of the Operations Coordinating Board, you are relying on the traditional departments or agencies?

Mr. Bell. That is right.

Senator Jackson. And you have in some cases action officers if you want to put it that way?

Mr. Bell. Exactly.

Senator Jackson. Who have the responsibility?

Mr. Bell. Yes, sir.

Senator Jackson. So the follow-up work is being done in the way you have expressed it, utilizing for the most part the traditional departments of the government.

Mr. Bell. That is right.

I want to emphasize though that none of us would claim that we are achieving perfection in these matters.

Senator Jackson. This is a tremendous job in any event, no matter what kind of mechanism you use.

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Mr. Bell. That is right.

Senator Jackson. This Administration has also abolished the NSC Planning Board. How do the departments and agencies work together in doing the kind of things that were performed by the old Planning Board?

Mr. Bell. Again, your question puts me a little at a loss because I don't know much about the old Planning Board. If I understand it correctly, it had at least two different metamorphoses.

At one point, it was regarded as a group of people who met together to make sure that appropriate planning was being carried out. It was not a planning board itself but a group of people who made sure that planning was being done in the places where it was supposed to be done.

Later on, I gather it was transformed gradually into a group that met virtually constantly and it was supposed to be doing the planning, putting papers up to the Council, and so on.

If I am correct in my understanding of the past, the present system is not unlike the former idea. It is very unlike the later idea.

There is now no group of people designated as a planning board. The planning for different problems is done either through the normal processes, as when the Secretary of Defense is asked by the President to prepare plans for alternative contingencies in a given situation, and the planning machinery of the Department of Defense is available and is used and the appropriate coordination is achieved with the State Department and other people who are involved.

In other cases it has been appropriate as in the case, say, of a particular country, when the President wanted a complete review of what the United States is doing in relation to that country, he may establish through the National Security Council a special task force, normally with the Assistant Secretary of State for the geographical area as the Chairman, to come forward with an analysis and a plan as to what the United States should be doing, with all aspects covered -- information, military, economic, political, and so on.

Under these circumstances there will be a special planning effort on a one-time basis with people participating from the different agencies, and the product of this task force will be reviewed at the top level of each of the departments concerned and it will come before the President and be debated and he will decide what he wants done about it.

What I am saying is that this Administration has used the regular planning machinery of the different departments and also has used special ad hoc task forces.

There is an effort on the part of the Special Assistant to the President for National Security Affairs, Mr. Bundy, and people with whom he works regularly in the different departments, to make sure that the planning machinery of government is looking ahead to the different problems that are going to be coming up and is working on the problems, not only those that are in our laps as immediate crises, but those we can see ahead down the road.



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*cf. memo  
of 6-20-68  
S. M. M.*

In that sense there is an organized attempt under Mr. Bundy's leadership, now with General Taylor participating, of course, to make sure we are looking ahead and making appropriate plans for problems that are going to confront us.

This is the way I understand the situation at the present time.

Senator Jackson. I want to direct a question to how the NSC operates. Do you think the NSC as it now operates brings policy alternatives before the President in such a way that the sharp differences are adequately given to him, and is there sufficient staffing to back up the policy alternatives that are presented?

Mr. Bell. Obviously, you don't want me to get into the substance of particular cases. It is appropriate, I think, and proper to say that there have been differences in the quality of the product in some instances from other instances.

In some cases the system has worked exactly as it should, namely, there has come to the President a very clear and definite analysis of the problem, and an outline of a proposed policy which is specific, costed out, with all the elements included in a very nice presentation of a proposed position and a proposed series of actions.

This has been available to everybody concerned sufficiently in advance so that those who might differ with it have had a chance to think about it and formulate their points of view and the matter was in a position to come to the President and be debated crisply on real issues.

This is the way the system ought to work. There is no reason it can't work that way nearly every time. It is a little too much to ask of human institutions that they work every time.

There have been cases in which the system hasn't worked perfectly. Perhaps the fellow who was the task force chairman did not quite know what was expected of him. He may have come up with a bit of a least common denominator type of report, or it may have been a matter in which the timetable was very short and the people concerned did not really have a chance to get all the issues staffed out.

We have had a very brief experience. I think it is clear that the understanding of what the President wants, and how he wants the system to work, is becoming much more widespread.

Senator Jackson. Are you getting clear-cut guidance to the departments in this NSC process that you are describing?

Mr. Bell. I am sure that they have not always felt this to be the case. I am sure it has not always been the case. Particularly in the early period, everyone had tied all his procedures to this machinery that was suddenly abandoned and nobody knew where to look next. So that I am sure there has been a considerable uncertainty in many parts of the government.

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As an observer from the Executive Office level, it now seems to me that the machinery permits the President's instructions to departments to be quite clear and definite and that in any case in which there is doubt, it is very simple to bring the matter up and get it clarified.

The system is flexible, simple and can be very fast-moving.

Senator Jackson. It is very important under this approach, I would think, to make sure that all these decisions are in writing so that the departments and those responsible know what their duties are.

Mr. Bell. This, as has been the case in the past, is a responsibility that rests on Mr. Bundy, the Special Assistant for National Security Affairs.

Senator Jackson. And there is a follow-through?

Mr. Bell. Yes.

Senator Jackson. So that those responsible understand, first of all, in writing what they are supposed to do. Mr. Bundy monitors more or less and reports to the President, I take it, what is going on so that he will know what the story is.

Mr. Bell. That is right.

Senator Jackson. How is the budgetary process related to the NSC? At what point do you enter the picture?

In other words, you have these price tags on a lot of these things. I think Mr. Stans referred to them yesterday as the financial appendices.

Mr. Bell. Yes. The present system does not necessarily involve a financial appendix. The financial substance may appear in the body of the document.

It depends on the subject, but the essential point is that the cost of doing the things that are proposed to be done is expected to be a part of the presentation of the issue, part of the consideration of the merits of the issue, so that at every stage the benefits and costs are supposed to be and are typically included in the staff work that precedes the President's consideration.

Now, the Budget Bureau, as an institution, does not have to participate in every stage of every piece of staff work. However, the relationships that we have worked out with Mr. Bundy's office are so close that we have participated in every case in which we wanted to participate.

We have been in a position to make sure that the financial aspects, the budgetary aspects, were included and not just rely on the system to make sure of it.

Senator Jackson. I would think, in view of the present method of using the NSC, that the President would want to place major reliance on the budgetary process for monitoring and coordinating various matters that have to be decided.

Mr. Bell. I think this is correct in the sense that he is using the Budget Bureau as a general staff support agency, much as Mr. Truman used to do. I don't know to what extent this was done under President Eisenhower. I think this President, like Mr. Truman, whom I knew -- I don't know about Mr. Eisenhower -- wants to be sure that the budgetary consideration does not, of itself, determine the answer to a given problem. In other words, I don't want to give the impression that cost considerations settle issues by themselves.

What I have tried to say is that cost and budget considerations have been appropriately integrated into the procedure and that the President and everybody else who considers a given policy decision is aware of what the alternative actions would cost and also can be aware of the alternative benefits that might be expected from whichever action was chosen.

Senator Jackson. Are the NSC meetings limited to those directly involved in a matter in order to encourage completely frank and open discussion?

Mr. Bell. The NSC meetings vary greatly in the number of persons who are involved.

Senator Jackson. But when it is larger it is due to the necessity of the situation?

Mr. Bell. That is right.

The President, in other words, varies the attendance list, depending on who ought to be there to have an appropriate discussion or to hear the President's judgment and decisions.

When it is a matter of exceptional security classification the President will hold the session quite small, that is quite small for an NSC meeting. You can't get an NSC meeting with much under a dozen people because of the statutory requirements and the President's desires about those whom he wants to be there from his own staff.

Senator Jackson. You are speaking of a formal NSC meeting. As the President uses the NSC process --

Mr. Bell. He holds many, many meetings --

Senator Jackson. -- of the subordinate groups within the NSC structure?

Mr. Bell. That is right. You could call them subcommittee meetings if you wish.

Senator Jackson. Right.

Is a task force expected to produce a paper making specific recommendations in order to help achieve precise discussion and decision?

Mr. Bell. Yes, sir.

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Senator Jackson. They are held to that?

Mr. Bell. Yes, sir; they are held to that.

The President and those who work with him, are very impatient if a paper comes up with the pros and cons neatly labeled, but with no recommendation, no conclusions, nothing to chew on.

Senator Jackson. You have covered in general the steps you are taking to see that the President receives sharply defined statements of alternatives, rather than interdepartmentally compromised generalities. As I understand it, you are trying to make sure that the President gets sharp alternatives and that the departments' views are clearly expressed.

One of the great reforms Winston Churchill introduced into the Committee for Imperial Defense was to require that all decisions be put in writing. From what you have said it is my understanding this is being done and that it is primarily Mr. Bundy's responsibility.

Mr. Bell. That is right.

Senator Jackson. To see to it that that is accomplished?

Mr. Bell. That is right.

Senator Jackson. Testifying before the subcommittee last year, Mr. Robert Lovett said:

"The authority of the individual executive must be restored."

You have alluded to this in your earlier remarks. First, do you believe the authority of the individual executive is now being restored and second, what steps are being taken specifically in the NSC process to assure this?

Mr. Bell. As I have indicated, I think this is an underlying element in the President's administrative philosophy in which he has exactly the point of view that Mr. Lovett expressed last year.

Senator Jackson. Mr. Lovett spoke about: "... the derogation of the authority of the individual in government, and the exaltation of the anonymous mass". You feel quite strongly that under present procedures the individual is being emphasized and being held responsible?

Mr. Bell. I think this is very characteristic of this President. I can testify to it from my personal experience.

Senator Jackson. What do you think are the most important as yet not satisfactorily solved problems in the present mode of operating the NSC?

In other words, what are some of the areas where, shall we say, you need to bear down a bit?

I assume you will always have that kind of problem, but in what areas do you feel you can make some adjustments and changes that would be helpful?

Mr. Bell. If you will permit me to speak broadly I would think that none of us would be satisfied with the basic system for appreciating, analyzing and proposing solutions to the biggest questions we face in the national security area. These are problems that concern primarily the State and Defense Departments.

I alluded to that in the testimony I gave this morning.

It is an enormous task to infuse the State Department with the ability and the attitude to do the kind of imaginative, accurate, sizing up of the situation and preparing of recommendations which is needed. This is something Secretary Rusk understands very well and is working very hard to achieve.

It is a matter of leadership, and being sure that everybody understands exactly what is expected of him. It is a matter to some extent of restaffing, a matter to some extent of organization, of the relative roles of the office of policy planning, the office of the Deputy Under Secretary for Political Affairs, the offices of the different geographical regional Assistant Secretaries, the Office of the Under Secretary for Economic Affairs, -- the responsibility that each of these pieces of the Department has for contributing to the product of national policy.

All this is being worked on to improve the State Department's capacity to contribute to national security policy-making.

Similarly there is much work underway to improve the policy-making capability of the Defense Department.

So far as the National Security Council is concerned, I think it has been evolving as time has gone by, and people have been finding out what kind of papers make the best discussion papers for this President and this NSC.

I think the most impressive aspects to me of the system under the new Administration are first of all, the attitude the President has toward assigning individual responsibility; and secondly, the degree to which there is building up a kind of intellectual interchange among departments, with the White House, and with the Executive Office staffs which makes for understanding, quick communications, assurance that all sides of an issue are looked at, and so on.

Senator Jackson. Is this especially true, too, between State and Defense? Do you gather that their relationship is becoming closer in dealing with problems?

Mr. Bell. Yes, sir. There is a long way to go on that, but both Mr. McNamara and Mr. Rusk are keen on improving it, so are Gilpatric and Bowles and others.

There is now a system for assigning officers back and forth on an experimental basis --

Senator Jackson. That step is being taken.

Mr. Bell. That is right. The first officers have been assigned.

Senator Jackson. The public, Mr. Bell, gets the idea sometimes that the National Security Council is an agency separate and apart from the departments. Actually, in one sense, we have always had a National Security Council in our government. From the founding of the Republic, we had the War Department and we had the Department of State.

The present National Security Council is pretty much a codification of our World War II experience. We have brought together the key national security making departments and have worked out a system which each President can adapt to help him get the information he needs to make the hard, tough decisions in the area of national security.

In all of this, it seems to us on the committee that the Secretary of State has a primary role. We believe very strongly in the primacy of the Secretary of State in advising the President on the full range of national security problems.

In other words, he is sort of the orchestra leader.

I just wondered what your approach or philosophy is in that regard.

Mr. Bell. The same as yours, sir, the same as that of the committee, and I think that is the same way the President feels, the same way I know Mr. Bundy feels.

We all look to the Secretary of State, just as you say, as the leader in the development of national security policy in its broad sense.

I think this President has given evidence, by the actions I have described, eliminating the OCB, and changing the reliance on interdepartmental committees, that he wants to give to the Secretary of State this responsibility.

I think that this places a tremendous burden on the Department of State, and gives it a role it has not had for years. It requires reforms to be undertaken in internal management, personnel staffing, and so on, which the department is in the process of making.

Senator Jackson. I think the conclusions that we arrived at can be stated rather simply -- to utilize and to strengthen the traditional departments.

There is a tendency on the part of all of us to look for some new super department or board to solve our difficulties, especially if we are frustrated and we do not have an immediate solution.

Mr. Bell. That is right.

Senator Jackson. If you do that, you run into the danger, of course, of just compounding the difficulties. When the new department cannot solve the problem you create another one and so you go on and on and on, and you cannot abolish them as fast as you create them.

Mr. Bell. There is a problem that Mr. Lovett referred to last year in your hearing that is far from solved in this respect, and that is how to enable the Secretary of State to carry out this role in view of the enormous burden on him for negotiations.

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As long as foreign secretaries in other countries regard it as demeaning if they have to deal with anybody but the Secretary of State this really, taken literally, would present a situation that no one man could handle.

Obviously, he handles it, any Secretary handles it, only by skimping on something.

You would hope, and I would agree, that he would handle it by skimping on the negotiating and by placing heavy emphasis on the policy-making, which is very difficult to do.

Senator Jackson. It is quite clear from this approach to the development and execution of national security policy that the Department of State needs all the support it can get. It needs all the assistance that it can properly obtain to do the job that goes with primacy in national security affairs.

Mr. Bell. That is right.

Senator Jackson. Does anyone have any further questions? This has been very helpful.

We will stand adjourned at this time.

(Thereupon, at 1:25 o'clock p.m., the Subcommittee was adjourned to reconvene at 10:00 a.m. Monday, August 7, 1961)